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Contemplating A Storage Project

All Beneficiaries of Water Development Plans

Should Share Costs Says Former Governor

by LESLIE A. MILLER

FOLLOWING the re-introduction of a measure calling for a start on the Reclamation Bureau's Upper Colorado Storage Project, much has been said about the benefits that eventually would flow from the construction of this intricate system. But the discussion, it seems to me, revolves more about the benefits (theoretical)than on the all-important question of costs (actual).

The bill now before Congress proposes to initiate the development of the water resources of the Upper Colorado River basin, for the purpose (among other things) of regulating the river's flow, for storing water for "beneficial use", for reclamation of arid and semi-arid land, control of floods, improvement of navigation and the generation of hydro-electric power.

The bill would authorize the Secretary of the Interior to construct, operate, and maintain "initial" units of the storage project, consisting of half a dozen dams, reservoirs, power-plants, transmission facilities, etc., and to construct, operate and maintain 11 additional reclamation "participating" projects.

A similar measure was introduced in Congress last year but failed of approval. It was voted out of the House Committee on Interior and Insular Affairs by a 13 to 12 vote. Competent estimates are that the so-called "initial phase" might cost about $1.6 billion, and that the overall plan, taking in a territory covering some 600 miles from north to south and about 300 east to west, would cost nearly $5 billion.

My approach to the proposal has largely to do with the economic aspect. It is my sincere belief that if the project, in the form presently contemplated, should be authorized and thereafter constructed, there will eventuate the loss of hundreds of millions of dollars to the general economy of the nation.

In view of the nation's enormous national debt, and, considering that we are (and apparently will be for the foreseeable future) in a period of deficit spending, the authorization of works of this type of questionable feasibility and unwarranted costs should be a matter of utmost concern to every American.

Consider for a moment what is proposed for irrigation alone in the Upper Colorado Basin. A recent magazine article asserted that the project's aim is to provide irrigation water for some 770,000

acres of land, 470,000 acres of which are already in irrigated cultivation, but which could use more water.

To me it raises many questions, i.e., what kind of land is it? Where is it located? What could be raised on this land? Many of the answers can be found in the unit reports of the Bureau of Reclamation. Here is what they say:

In my own state of Wyoming, for example, it is proposed at the Seedskadee River to provide water for 61,720 acres of land at a construction cost of $383 per acre. Bureau reports say that 9,030 acres would be suitable chiefly for pasture; that of the remaining 51,690 acres, only a small proportion is first class land.

To quote this report: "The irrigated land would be utilized primarily for the support of livestock enterprises, particularly dairying." Shades of surplus butter, cheese, and powdered milk! The water user would be expected to pay $70 per acre of the construction cost, the balance would be subsidized by the Federal government, that is, by the taxpayers of the country.

Or take the Lyman project, also in Wyoming. Here is an already existing, 40,600 acre, farming area, for which it is asserted more water is needed. It is said the present supply is 37% short of normal requirements. The Federal planners propose to furnish a supplementary irrigation supply at a cost of $260 per acre for construction and the supply would still be 12% less than needed to meet what are called "ideal irrigation requirements." But note: The water user would be expected to pay $55 per acre for this 25% of additional supply.

The Bureau's report says of this land: "Only grasses for hay and pasture . . . can be produced to any extent as the growth of most other crops is precluded by a short growing season and untimely summer frosts that characterize the high 6,500 to 7,000 foot elevations of the project lands."

Or take a close look at another phase of the proposal, the LaPlata down on the New Mexico line. Here it is proposed irrigation water be supplied for 9,800 acres. The construction cost of the works for this would amount to $947 per acre. The water user would repay $127 per acre. Of this land, the Bureau says: "Agriculture would continue to center around the livestock industry, with most of the irrigated area producing livestock feeds."

Still another project is proposed for the Florida River in southwestern Colorado. It would irrigate 18,950 acres, two-thirds of which is already irrigated. The construction costs would amount to $366 per acre. But the water user would repay $90 per acre. And of this land, the unit report says: " . . . the irrigated lands would be utilized largely for the support of livestock enterprises as now practiced in the area."

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User Would Pay $74 An Acre

Yet another project, the Navajo, in New Mexico, would take in 151,000 acres for irrigation purposes, mostly on the Indian reservation. Construction costs would be $1,540 per acre. These lands lie at elevations from 5,200 to 6,100 feet and have a frost-free season of around 150 days.

The Central Utah project (initial phase) consists of a number of units too numerous and too complicated to detail, but suffice to say it is proposed that irrigation water be provided for 78,500 acres of new land and supplementary water for 132,000 acres now irrigated. The construction costs presently allocated to irrigation are said to be $793 per acre, of which the user would pay $74 per acre—or less than 10 percent. Reports on this land do not specify

what crops would be raised. The fact that the Bureau finds the water user here would repay only $74 per acre compared with $90 per acre on the Florida in Colorado, would indicate considerable skepticism.

I have alluded to these details to characterize the average of the lands and to point up the excessive costs of building the proposed irrigation works.

No Food Shortage Seen

It is proposed in the measure now before Congress to supply supplementary irrigation water for a very considerable acreage of already-established farms. Therefore, the going values are readily ascertainable. As has been said, the Bureau estimates that the greater part of the lands will be farmed chiefly for the production of forage crops for the livestock industry. Such land in that general area will not command a sales price in excess of $150 per acre. If, to that is added an optimistic $150 in indirect benefits, and we arrive at a possible value of $300 per acre, and we can place against that the estimated irrigation construction costs (averaging for the projects in the instant bill approximately $1,000 per acre), we cannot avoid a conclusion that the construction will involve a loss to the nation's economy of $112,000 per 160-acre farm, or $539 million on the overall figure of 770,000 acres. That loss does not take into consideration the interest that would have to be paid.

Now one of the arguments for great irrigation projects is the supposed necessity for providing more irrigated land for food production for a growing population. The year 1975 is always alluded to as being the testing year. But research on the subject, borne out by Department of Agriculture studies, is that when 1975 rolls around there will be ample food for all on the present farm acreage if proper attention is paid to new techniques and fertilizers and more efficient machinery is used. In fact, our per acre output is growing year by year.

It may not be inconsistent to point out that much more irrigation has been provided in the past, and is being provided today, by private enterprise than by government. Of all the 25 million acres of irrigated lands in the 17 Western states in 1950, considerably less than one-fourth had been watered by the Bureau's efforts. It is noteworthy that in its contribution, less than 2.5 million irrigated acres was in new land, while about 3 million acres were lands already in irrigated farming, *established by private enterprise,* but needing more water.

Irrigated land, according to Census figures, increased 7,028,000 acres in the ten year period 1941-1950, of which less than 25 percent was provided by the Federal government through its various projects.

Privately-owned irrigation works in Montana afford an indication of what can be brought into being without great Federal assistance. Of 173 small projects, the Montana State Water Conservation Board has been responsible for furnishing (with some financial assistance) full water supplies to 113,294 acres of new land and supplemental water to 252,920 acres already in irrigated cultivation. The Board has accomplished this at a cost of $16,820,584, or $43 per acre.

Besides the assistance programs in many states, we are today witnessing a great resurgance of irrigation development by private enterprise. For example, take the sprinkler irrigation systems mushrooming about the country. Here are some statistics that certainly prove a point: A combination of Federal and state agricultural, Census Bureau, and industry figures indicate that today there are approximately 3.1 million acres of land being irrigated by sprinkler. Most of this development has taken place since 1949.

Would Impede Industrial Development

While it cannot be said that sprinkler irrigation has fully come of age, certain it is that sufficient information is now in hand to warrant the assertion that this method of irrigation can be vastly expanded; that on the record it can and will meet the demands and will do so without such huge subsidies as are contemplated by expensive works such as the proposal under discussion.

There is one final consideration. It is a known fact that in the general area of the Upper Basin states, there are vast stores of minerals of various kinds. It has been asserted with much validity that there exists in this area one of the greatest concentrations of energy fuel resources, coal, oil, oil shale, gas, and uranium in the world. There are

many (and I am one of them) who believe the ultimate destiny of the region is involved in the development of these and other minerals. Haste in tying down the water to irrigation of marginal agricultural land could seriously impede industrial development which would depend upon the use of large amounts of water.

Having given some though to the "participating" projects, let us consider the dams proposed and their cost.

(1) Echo Park is designed to store 6.5 million acre-feet of water. The cost of construction is estimated to be $176 million. That is $27 per acre-foot.

(2) A few miles away from Echo Park is the Cross Mountain site. The reservoir capacity there would be 5.2 million acre-feet. With a cost of $51 million, that would be $9.80 per acre-foot.

(3) Glen Canyon has an estimated capacity of 26 million acre-feet. It would cost an estimated $421 million, or $16.20 per acre-foot.

Thus it may be seen that of the major reservoirs, Echo Park storage is by far the most costly. The same is true of the power which it is planned would be generated from these projects. The Bureau says that power costs at Glen Canyon will be 4.7 mills, at Cross Mountain, 5 mills, and at Echo Park, 6 mills. Why not raise the height of Cross Mountain dam a few feet and thus increase the cheaper power potential?

On another note, the average per kilowatt capital costs of 12 hydro-electric projects licensed by the Federal Power Commission since 1940 with capacities of 50,000 kw and over is *$319.70*. The same cost at Glen Canyon dam is estimated (1954) at $463.72, and at Echo Park Dam at *$641.92*.

The question might be asked: are there any alternatives to the existing proposals? Well, a few weeks ago the Governor of Colorado, Ed C. Johnson said that in certain circumstances he would recommend Congressional authorization at this time be restricted to Glen Canyon Dam with a provision that surplus earnings on power sales therefrom be distributed to the four states of the Upper Colorado Basin on the basis of the distribution of waters of the Colorado under the 30-year-old Colorado River Compact.

These monies could then be utilized by the states to develop, on a matching basis or otherwise, local water projects. A study of the history of irrigation convinces me that it is more feasible and economic to have developments locally controlled. It seems to me Governor Johnson's proposal is logical and I would approve it.

These facts are marshaled because there are some powerful (though not convincing) arguments in favor of the Federal government's participation in such irrigation projects. One of those most often heard is that because the nation is spending great sums abroad, it should spend great sums also on projects of this kind. That always leaves me quite cold.

Actually, there is no consistent relationship between these foreign aid programs and the storage project (or others of a like nature), and no reference to the former should have any weight.

It can be anticipated too, that much will be made of the point that the Federal government has every right to spend money on irrigation because it partially pays its way, whereas most expenditures on flood control and navigation are nonreimbursable.

In the solid opinion of many, and I am one of them, who have studied this general problem in detail, the beneficiaries of *all* water development projects should be required to pay consistent shares of the costs. If Congress will agree to this and enact the necessary policy legislation, it is certain indeed that there will be much less demand for so-called pork barrel authorizations and appropriations in the future. In the interest of the taxpaying public, I sincerely hope this will take place.

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